



# **MANAGERIAL COMPETENCE, MANAGEMENT ACCOUNTING PRACTICES AND QUALITY OF FINANCIAL REPORTING IN FAITH BASED PROJECTS; CASE STUDY OF WORLD RENEW PARTNERS IN UGANDA**

## **ABSTRACT**

This study was prompted by continuing questionable quality of financial reporting in most Faith Bases Projects in Uganda. The quality of financial information is critical to the success of any organisations in today's dynamic environment. International Accounting Standard Board (IASB) and International Financial Reporting Standards (IFRSs, 2010) re-echoed the conceptual framework for financial reporting where relevance, completeness, understandability timeliness, and accuracy as qualitative characteristics that financial information must portrait. Achieving these is linked to managerial competence and management accounting practices. Basing on this background, the study is set out to examine the relationship between managerial competence, management accounting practices and if these variables have any effect on the quality of financial reporting. Quantitative data was collected from a sample of 32 Faith Based Projects in Northern, Eastern and South Western parts of Uganda, and achieved a response rate of 100%. Data was analysed using Statistical Package for Social Science (SPSS). Pearson's correlation test was carried out to establish the relationship between variables while regression model was used to establish the prediction results of independent variable. The findings revealed a positive relationship between management accounting practices and quality of financial reporting. The regression model further revealed that

management accounting practices is the most significant predictor of the quality of financial reporting. It is, therefore very important for faith based projects to pay keen interest and respond to the effects of the independent variables on quality of financial reporting; especially the most significant predictor; management accounting practices. This will aid them to greatly improve quality of financial reporting.